

January 18, 1983

#3 4 #7

Memo to File:

RE: Getty Mineral Resource Co.  
Mercur Project  
ACT/005/007  
Tooele County, Utah

ACT 1045/817

On January 10, 1983 members of the Division, Ron Daniels, Jim Smith, Dave Darby, Tom Portle, Pam Grubaugh-Littig and Tom Tetting met with Barbara Roberts from the Attorney Generals office and Brian Buck of Getty. The purpose of the meeting was to resolve any final technical questions on the modification to the MRP and reach a final language agreement for the new contract.

The contract discussion revolved around the potential precedent setting use of language concerning salvage value versus demolition costs and this relationship with the reclamation cost estimate. This may not prove to be such a concern to be worried about, i.e. producing a trend which other less financially secure companies may wish to follow; as each MRP is reviewed as a site specific situation.

Two items which Getty has agreed to place in the contract are:

1. A warrent that the current liens on the property are the only ones.
2. A warrent to the possessory interest in the land status.

The items which will be completed prior to the January Board hearing are:

1. The update of the current status on topsoil stockpile locations. These designations will be placed onto the current maps on file.
2. Hydrologic design calculations including sizing and cross-sectional diagrams will be submitted for review. A narrative on the status of the acceptance of the "class V disposal well" by the Division of Water Rights will also accompany the package.

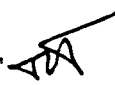
Finally, three conditions were determined, to be necessary for attachment to the final approval notice for the modification. These are:

1. During a site inspection to be performed by the Division in the Spring of 1983, the proposed topsoil stockpile locations will be reviewed for adequacy. These are future sites and will not be needed until after this inspection.
2. If during the use of these approved stockpile locations any indications of failure or mass wastage are noticed, the Division will be notified immediately and consulted as to a remedy.

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3. The selection of the specific 93 acres of waste dumps which will not be retopsoiled will be made as a cooperative venture with the Division and dependant on test plot efforts and results.

Having satisfied these areas of concern it is the Division staff's recommendation to the Board to fully and finally approve the modification should all areas of the reclamation bond be acceptable. The new bond estimate inflated to the year 1992 is \$5,745,331. This figure represents a 10% inflation factor per year and will be built into the contract.

THOMAS M. TETTING  
ENGINEERING GEOLOGIST 

TNT/mn

cc: Ron Daniels  
James Smith  
Pam Grubaugh-Littig  
Tom Portle  
Dave Darby